

BURLINGTON PROSPECT

Targets: Hackberry 3 and Basal Hackberry (11 MMBO and 104 BCF)

LOCATION: SW Louisiana, Onshore, Land Location, Conventional/Vertical Play

BASIS FOR PROSPECT: The Burlington Prospect is a 4-way structural closure mapped using 3-D Hackberry field that produced approximately 3 MMBO. The shallow Upper Hackberry field occupies the subtle low relief crest of a deeper high-relief main structure. Both prospect target reservoirs have good sand development as seen in nearby wells off structure. The presence of deeper reservoir sands is also supported by a Direct Hydrocarbon Indicator produced by Simultaneous Inversion seismic processing. This processing technique accurately identifies the Upper Hackberry field above the prospect as well as other Upper Hackberry production within the 3-D survey, including the prospect. The conservative reserve potential for the Burlington Prospect's two objectives is **11 MMBO and 104 BCFG**. Additional potential exists immediately below the two primary targets, on structure, beneath the Hackberry unconformity.

SEISMIC: Approximately \$2.5 million spent acquiring, reprocessing and evaluation 135 square miles of 3-D. The Burlington Prospect is deemed to be the most attractive prospect identified within the 135 sq. mile area.

RESERVE POTENTIAL: Hackberry 1 – 3 MMBO (457 Ac x 22' x 300 BO/Ac-Ft) & 2.4 BCF
Hackberry 3 – 11 MM BO (1085 Ac x 36' x 300 BP/A-F) & 8.8 BCF
Basal Hackberry – 104 BCF (1184 Ac x 44' x 2000 MCF/A-F) & 2,080 MBC

TD: 11,700 Vertical Well (pipe required @ approximately 10,000' to see objectives)

EST'D 1st WELL COST:	Lease Cost, G&A, Prospect Fee	\$ 410,000
	Dry Hole Cost	<u>3,998,000</u>
	Total 1 st Well Dry Hole	4,408,000
	Completion	<u>1,569,428</u>
	Total Completed 1 st Well	5,977,428

IPs & EURs H-1 ->230 BOPD, 175 MCFD & 245 MBO, 200 MMCF (25Ac spacing)
H-3 ->230 BOPD, 175 MCFD & 455 MBO, 350 MMCF (100 Ac spacing)
Basal -> 3,500 MCFD, 70 BCPD & 5 BCF, 100 MBC (75 Ac spacing)

NRI: 75%

TRADE: 20% BI APO (first well); 80% WI heads up on subsequent wells

OPERATIONS: Available, or will provide with participating contract operator.

For More Info Contact: Fred Haston (281) 389-7507 or Greg Martinez (281) 832-3302

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